

April 18, 2002

To: Supervisor Zev Yaroslavsky, Chair
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

UPDATE ON THE PROPOSED AMENDMENT TO THE INDUSTRIAL REDEVELOPMENT PROJECT - ALHAMBRA (FIFTH DISTRICT)

On January 17, 2002, this office informed your Board via memorandum of our initial concerns regarding the City of Alhambra's proposed Amendment to the Industrial Redevelopment Project. Based on these initial concerns, this office conducted a full blight review of the Agency's Report to Council and found that the project did not appear to adequately meet the requirements of Community Redevelopment Law (CRL) by failing to 1) describe and identify significant remaining blight, 2) properly describe and identify portions that are no longer blighted, and 3) provide a nexus between redevelopment activities and blight alleviation. On February 25, 2002, this office submitted to the Alhambra City Council/Redevelopment Agency Board a Statement of Objections to the proposed project. Over the past few weeks, City staff has been working cooperatively with County staff to resolve concerns set forth in the Statement of Objections.

As a result of these efforts, the City of Alhambra staff has provided the County with additional blight findings and agreed to recommend that their City Council/Redevelopment Agency revise certain tax increment limits. As a result, the County General Fund is estimated to save approximately \$28 million as compared to the City's original proposal. With the additional blight findings and agreed upon revisions, this office believes the proposed redevelopment Amendment is generally consistent with CRL, and upon adoption of these changes by the City Council/Redevelopment Board, we do not recommend any further action. The Public Hearing on this project is scheduled for April 22, 2002.

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We also want to take this opportunity to thank City of Alhambra staff for their collaborative and cooperative posture through this effort. We believe the resulting project to be in the best interests of both the City and County.

If you have any questions, please call me, or your staff may call Jerry Ramirez of my office at (213) 974-4282.

DEJ:LS
MKZ:JR:nl

c: County Counsel
Auditor-Controller
Julio J. Fuentes, City Manager, City of Alhambra